

This training module was developed to help educate Michigan businesses on the process of contracting with the State of Michigan.



You can follow the State of Michigan's contracting office on Twitter @MIProcurement. Tweets include training and event information, tips about general business resources, bid opportunities, and more: twitter.com/Miprocurement.



The Department of Technology, Management and Budget's (DTMB) Procurement office serves as the State's central purchasing office. DTMB-Procurement acts on behalf of state agencies, handling every aspect of the bidding process for most goods and services in amounts over \$25,000.

DTMB has a portfolio of approximately 1,100 contracts worth billions of dollars. A varying number of projects within the portfolio are put out to bid each year. Most contract periods average three – five base years and have additional one-year renewal options, though it varies by contract.

For a full list of DTMB-Procurement contracts, see the DTMB-Procurement Complete Contract List on the homepage of the State's Contract Connect website, at www.michigan.gov/micontractconnect.

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				EXTENDED SERVICE, MAINTENANCE,		
				& WARRANTY: VOTING SYSTEM		
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07181300325	View Contract	Department of State	DOMINION VOTING SYSTEMS, INC.	SOFTWARE - DOS	\$2,572,220.00	6/30/2019
		Michigan Department		l		
071B2200197	View Contract	of Transportation	LIGHTLE ENTERPRISES OF OHIO, LLC	EXTRUDED ALUMINUM PANELS	\$161,310.00	5/31/2015
		Department of	CLASSIC OPTICAL LABORATORIES,	FABRICATION OF EYEGLASSES AND		
07189200003		Community Health	INC.	RELATED SERVICES	\$5,857,937.62	12/31/2014
	View MiDeal	Charles of the	MIEGI ED DOUIGE GUDDIN	FERSON AND MUTION	62 402 705 00	1/20/2015
071B3200095	Contract	Statewide	KIESLER POLICE SUPPLY	FEDERAL AMMUNITION	\$2,103,785.98	4/30/2015
	View MiDeal	Michigan Department		1 1		
07180200154	Contract	of Transportation	SPARTAN FENCE INC	FENCE FABRIC AND LINE POSTS	\$170,371.60	4/5/2015
		Department of Natural	escare de		B 281111 11 11 11	1 10000 100
071B2200177	View Contract	Resources	SHEPLERS INC	FERRY SERVICE	\$107,520.00	4/30/2015
		Technology, Management and		FIBER RING, CONNECTIONS, SPURS, AND RELATED SERVICES - DTMB		
071B3200018	View Contract	Budget - IT	ZAYO GROUP LLC	TELECOM	\$1,318,516.95	9/8/2024
07103200010	VIEW CONTINCE	Department of Human	EATO GROOT EEC	TEECOM	\$1,510,510.55	3/0/2024
07180200246	View Contract	Services	INFORMATIX INCORPORATED	FIDM ALLIANCE RFP	\$406,741.67	6/30/2015
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071B1300288	View Contract	Budget - IT	INFO TECH INC	FIELD MANAGER SOFTWARE	\$169,500.00	8/31/2014
		Technology, Management and		FINANCE FOR LEASE PURCHASE FOR		
	View Contract	Budget - IT	PNC Bank National Association	IT EQUIPMENT	\$3,072,695.40	12/20/2015
				In refer William	43,012,033,40	

Here is a snap shot of the *DTMB-Procurement Contract List*. By clicking on "View Contract" under the "Links to Contracts" on the left, you can download a PDF version of each contract. You'll be able to review the entire contract, including current specifications, change notices, and pricing. On the contract's cover sheet you will find other important information such as the buyer's name and phone number, the department day-to-day contact name and phone number, and the vendor representative's name and phone number.

"Cumulative Amount" is the *estimated* spend at the time of contract award for all the base years and is not reflective of actual spend, which can be less.

On the right, you will see the current expiration date of a contract, not including any potential option years. Read the contract or talk to the buyer to determine the timing of the next solicitation. Solicitations can go out up to 6 months or more before the expiration date, depending on complexity and dollar amount. If there is an existing contract for your product or service already in place, don't be discouraged. Studying the *DTMB-Procurement Complete Contract List* provides an excellent opportunity to look at specifications and pricing, ask questions, and be more prepared when the contract is put out to bid again.



DTMB-Procurement contracts are put into place by three divisions: Information Technology, Commodities, and Services.



- · Custom Software Development
- Commercial off the Shelf (COTS) solutions/Software as a Service
- · Telecommunications
 - Cell Phones, Long-distance Phone Service, Audio-Video Conferencing, Data Communication Equipment and Services
- Hardware
- Maintenance
- IT Staff Augmentation
 - Further details, sign-up documentation and contact information found at: www.acrocorp.com/acrosom
- IT Consulting
- · Multiple function printers
- · Managed Services



Information Technology covers contracts for telecommunications (including cell phones, land lines, internet and WAN service providers, etc.), hardware and software, application development, copiers, maintenance, etc. The list in front of you is only a partial list.

The State has contracted with an outside company to provide various hourly IT services. Please visit the ACRO website at www.acrocorp.com/acrosom to provide IT Staff Augmentation to the State of Michigan.

Now that we've covered IT, we are going to take a look at another primary procurement area, Commodities.



- · Alarm Systems
- Building Equipment/Maintenance
- Clothing
- · Copiers
- Energy
 - Natural Gas, Oil, Propane, Alternative Energy & Conservation Consultants
- Food
- Furniture/Carpet
- · Grounds Equipment

- · Janitorial Services
- · Security Guard Services
- · Pest Control Services
- · Landscaping Services
- Office Supplies
- · Printing Equipment & Services
- · Prisoner Stores
- Radio Equipment
- · Road Salt
- Vehicles
- · Law Enforcement Supplies
- Earth Moving Equipment



The Commodities area is responsible for purchasing a wide variety of products, ranging from office furniture to janitorial supplies. The list in front of you covers only a small number of the many categories of products handled by this group. Some of you may be wondering what falls under the "Energy" category. For our purposes, "Energy" refers to the acquisition of natural gas, fuel oil, and propane, as well as alternative energy and energy conservation consultants.

The Commodities area is also responsible for purchasing maintenance repair services such as lawn care and snow removal.

Moving on, let's take a look at our final primary area of procurement, Services.



- Accounting / Auditing
- Auctioneering
- Banking / Financial
- Consulting
- · Health Care
- · Pharmaceuticals
- Insurance
- · Marketing / Advertising
- Procurement Card Program Management

- Temporary Employment Services
- Surveys
- · Data Access



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The Services area handles contracts related to the procurement of professional services such as advertising and consulting. This division is also responsible for the State's health care contracts and, because of that expertise, also handles pharmaceuticals and related services. As with the IT and Commodities Divisions, the Services Division handles contracting for other services besides those listed here.



There are also Real Estate and Design and Construction divisions within DTMB.

The State leases a considerable amount of office and warehouse space across Michigan. If you are interested in leasing space to the State, please go to the web address shown on the slide to receive bid notifications—www.state.mi.us/dmb/lessor/lessors.asp.

Design and Construction purchases construction, engineering, and architectural services, but also bids out painting, plumbing, HVAC and other similar contracts. Furthermore, this group is in charge of implementing the State Capital Improvement Program. Current bids, as well as projected future construction contracts, may be accessed through the Contract Connect website, www.michigan.gov/micontractconnect.

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Agy	Seq	PD	Project Name	Facility Name	City	Designer	Phone Number	
071	10180	GAG	Paver System Replacement	DTMB/ Hall Of Justice	Lansing	Beckett & Raeder, Inc.	(734) 663- 2622	
071	11368	RMP	Stairway Upgrades	DTMB/ Lewis Cass Building	Lansing	LehnerFindlan Architects LLC	(586) 412- 7050	
071	12192	JNS	Stairs and Accessible Ramps Replacement	DTMB/ Ottawa Plaza	Lansing	Materials Testing Consultants, Inc. (MTC)	(616) 456- 5469	
071	12196	CAK	Building Automations Upgrade	DTMB/ MLHC	Lansing	Matrix Consulting Engineers, Inc.	(517) 487- 2511	
071	12253	JAN	Window Replacement & Lobby Renovation	DTMB/ Flint State Office Building	Flint	Wigen Tincknell Meyer & Associates	(989) 752- 8107	

Pictured here is the *Design & Construction Projected Future Contracts List* that is posted on the Contract Connect website—michigan.gov/micontractconnect.

After the initial design work has been completed for a project, Design and Construction solicits bids for a general contractor. Use this list to contact the lead design firms for any available information regarding the status of a particular project. For those wanting to learn more about the Design and Construction contracting process, there is a separate Contracting 101 presentation that can be found on the homepage of the Contract Connect website.



The Michigan Department of Transportation handles its own purchasing for road and bridge maintenance and construction. Many projects use federal funding and may need to follow federal regulations.

MDOT Bridge and Highway has a Disadvantaged Business Enterprise, or DBE program. This program assists minority, women and other disadvantaged businesses. Visit the MDOT website at www.michigan.gov/mdot, to learn more about this program and this MDOT office.



- · Delegated Authority
 - DTMB-Procurement delegates purchasing authority to individual state agencies
 - Each agency has their own office that makes these purchases
 - Solicitations under \$10,000 are not always posted publicly
 - Typical sale under \$10,000, assuming no existing statewide contract
 - · Market to the agencies using the "State Agency Buyer List"
 - www.michigan.gov/micontractconnect -> Contact Us



There are opportunities to get involved in smaller projects, which are not necessarily posted publicly. Individual state agencies may obtain bids informally by email and fax for projects less than \$10,000 not posted publically. To learn about potential opportunities, use the directory of agency buyers on the Contract Connect website (www.michigan.gov/buymichiganfirst/0,4541,7-225-40707---,00.html).



The single most important thing to remember from this presentation is to register your business on www.buy4michigan.com. This site is the where the State will post bid opportunities valued at \$10,000 and above. Bid opportunities lower than \$10,000 are also sometimes posted.

K-12 schools and community colleges post some of their solicitations on this site as well.

Registration on this site is free. View open solicitations without being registered by clicking the "Open Bids" link on the homepage.



After clicking on the "Open Bids" link on the homepage, you are taken to a page that lists the open solicitations, shown here on your left. Under the "Bid #" column, there are numbered links that take you to a screen with all of the information regarding that particular bid. You are able to download the RFP, see contact information, and other details, shown here on the right.

Now let's look at how you can find opportunities before they are posted on Buy4Michigan.



Pictured here is the *DTMB-Procurement Upcoming Bid List* which is posted on the homepage of the Contract Connect website—michigan.gov/micontractconnect.

This list is very similar to the *DTMB-Procurement Contract List*. You will see the category of product or service contracted for, the contract number, a link to the contract, the current vendor who holds the contract, expiration date, estimated spend, prequalification information and the division it was contracted in.

This list is helpful for a number of reasons. You see what contracts are expected to come back out to bid in approximately the next year. You can begin to prepare yourself to bid by researching past pricing and specs before a contract is put out to bid again.

Sign up to receive this list for free, by email, on the homepage of the *Contract Connect* website.

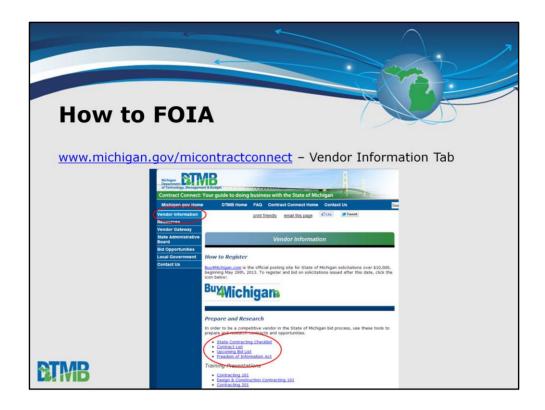


- · Review examples of winning proposals for contracts of interest
- Documents are public information and may be requested through Freedom of Information Act (FOIA)
- · Most frequently requested documents?
 - The awarded proposal (Price and Technical)
 - The approved bid evaluation synopsis
- · How are the documents sent?
 - Email, Fax, or Postal Service
- · How Long does it take?
 - Response to FOIA request is within 5 business days, 10 with extension
- · How much does it cost?
 - Charges are totaled for labor, duplication and mailing
 - No charge if less than \$10.00

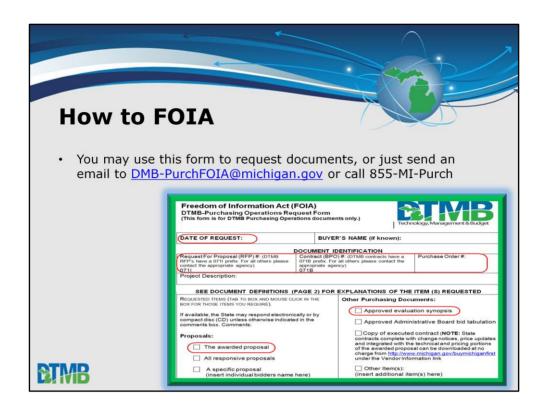


Another research opportunity is provided by the Freedom of Information Act, or FOIA. Contract documents are public records. This doesn't apply only to just contracts though – winning responses and the bid evaluation synopsis, which can be thought of as a "bid report card," are available.

We are required to respond to your FOIA request within five business days. If the cost to the State for labor, duplication and postage charges is less than \$10 altogether, there is no charge. If it does exceed \$10, the State requires that you prepay your invoice. Be sure to look online before requesting information. As we discussed in the previous slide, some documents, like the current contract and its change notices, have already been made available to you at no charge.

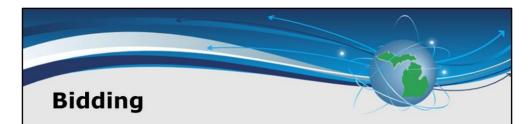


To learn more about the FOIA process, visit the Contract Connect website at www.michigan.gov/micontractconnect and go to the "Vendor Information" tab. You will find information on FOIA under the "Prepare and Research" section on this page, as well as an optional FOIA request form.



This screen shot shows the optional FOIA request form. You do not have to use this form to make a request, but you may find it helpful. At the top of the form, you'll notice that you will need a contract number, which can be found on the *DTMB-Procurement Contract List*.

As mentioned previously, consider requesting the awarded proposal and/or the evaluation synopsis.



- · Pre-Bid Meetings
 - Some are mandatory: attendance is required to bid
- · Question and Answer Period
 - Email to the buyer by the Q&A due date and time specified
 - Q&A addendum may revise solicitation requirements
- · Follow the solicitation's communication rules
- · Submit a complete bid proposal
 - Respond to all bid details
 - Submit on time
- Contract & Payment Express
 - Must register for accounts payable with EFT information



Once you've discovered a particular solicitation that interests you, one of the first things to do is review the bid documents to determine if there is a pre-bid meeting, and if there is one, whether it's optional or mandatory. Presence at mandatory meetings is only required of prime contractors, however, sub-contractors should consider attending as well – not only to understand the requirements of a project, but to take advantage of networking opportunities. For meetings that are mandatory, make sure you are on time and that you sign the attendance sheet to prove you were there!

The Question and Answer period is a great opportunity to exchange information with the buyer. This is your chance to obtain information to help submit your best proposal. The due date for submitting questions is specified in the solicitation.

It can't be emphasized enough how important it is to follow the solicitation's posted communication rules. Once a solicitation is posted, all communication must be with the assigned buyer only. Any communication outside of this process may result in disqualification. In addition, bid information not received from the assigned buyer may not be reliable. Protect your investment in preparing your bid by obtaining information from the proper source.

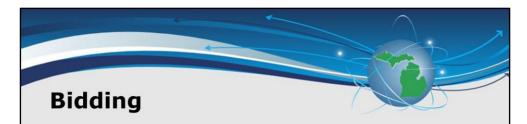
Make sure that your bids are thorough. Government bids require a high level of detail. With that in mind, write your proposal understanding that you may not meet with the buyer face-to-face, and that any clarifications will be written. This will help you focus

your proposal and ensure that you include all pertinent information.

Be sure to keep-up with any changes to the solicitation. Continue checking the solicitation posting for new attachments and addendums until the bid due date. We will post online Q&A responses and any notices like an extension of the bid due date, additional historical information, etc.

Perhaps most importantly, don't be late! If a bid is even 1 minute late, it is late, regardless of the reason for its delay. The only time late bids will be considered is when no other bids have been received.

Vendors must also register payables information and be set up to receive EFT payments before a contract can be executed. You can access the Contract & Payment Express through the Contract Connect website, www.michigan.gov/micontractconnect.



- Written portion of bid scored on 100 point scale; 80 points is generally passing but there are exceptions
- Bids can be evaluated by the buyer, buyer and requesting agency, or Joint Evaluation Committee (JEC)
- Award based on best value, not always lowest bid (exception for Construction)



Submitted bids are evaluated by the assigned buyer, buyer and requesting agency, or a Joint Evaluation Committee (JEC); the written portion of the bid is scored on a hundred point scale. As an example, 80 points out of the possible 100 might be considered a passing technical score. Receipt of a passing technical score means that your bid pricing will be evaluated.

The JEC consists of a blend of members – those who have a day-to-day interaction with the program, and independent reviewers who do not. This is an important fact to remember for new vendors and incumbents alike. You will be evaluated on the written content of your bid, and since there may not be any face-to-face meetings as part of the evaluation process, including negotiations, it's all the more important that your bid is thorough.

For each solicitation's customized evaluation criteria, Q&A deadline and information on any pre-bid meetings, review the proposal instructions of the solicitation document.



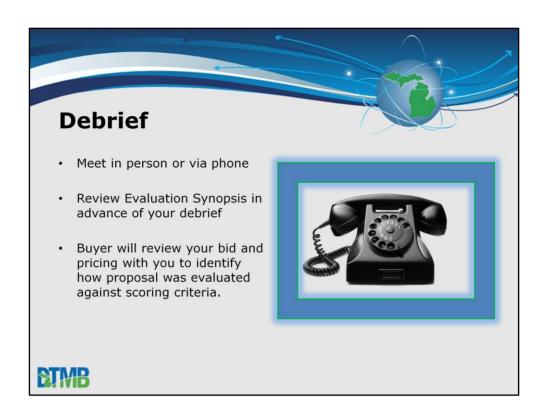
Let's review the various purchasing preferences and set asides established by the State by statute. First, qualified service disabled veteran-owned companies receive a 10 percent pricing preference. Information on how the preference is calculated, and what documentation is required, is found on the Contract Connect website. A price preference is different than a "set aside." RFP's have a two-step process and the preference is applied if technical bid requirements have been met.

Second, certain goods and services are set aside for procurement from Community Rehabilitation Organizations – sometimes called CROs. A CRO Committee, appointed by the Governor, evaluates set aside requests. Competitive criteria, including a determination of fair market pricing, are applied to select among community rehabilitation organizations for the purchase of goods and services.

Third, all printing for the State of Michigan, except that which is printed for primary school districts, lottery, local government units and legal publications for elected state officers, must be printed in Michigan. The Department of Technology, Management and Budget has an in-house print and graphics division and administers a prequalification program in connection with work which is outsourced.

Fourth, a preference is given to products manufactured, or services offered, by Michigan-based firms if all other things are equal and not inconsistent with federal statutes.

Finally, a reciprocal preference to a Michigan business against an out-of-state business is allowed for purchases exceeding \$100,000 and if not inconsistent with federal statutes. Under this provision, a Michigan bidder is preferred in the same manner in which an out-of-state bidder would be preferred in his or her home state. To claim this preference, a bidder must certify as a Michigan business and must authorize the Department of Treasury to release information necessary to verify this entitlement. A business that purposefully or willfully submits a false certification is guilty of a felony, punishable by a fine of not less than \$25,000.



DTMB-Procurement encourages all bidders – those who were successful in receiving an award and those who were not – to arrange a debriefing session with the buyer handling the solicitation. Debriefings may be conducted in person or over the phone, depending on what the bidder prefers.

During this session, the buyer will review the bidder's proposal, highlight its specific strengths, and indicate areas where the submission may have contained deficiencies. In preparation for your debrief, review the Evaluation Synopsis (the bid "report card" as you'll recall) which is posted online when an award recommendation is made.



The MiDEAL program allows local units of government, colleges and universities, school districts and non-profit hospitals to benefit from the State's negotiating and purchasing power by permitting them to make their own purchases using the State's contracts at the same terms, conditions and pricing without issuing their own solicitation.

A state contract open to MiDEAL members can potentially increase your client base. However, you must have a current State of Michigan contract in order to participate in the program.



This is a screen shot from the MiDEAL website. The State maintains a list of all MiDEAL contracts on the website, as well as a list of members. To learn more about the MiDEAL program, visit www.michigan.gov/mideal.

Now, lets change gears and look at some resource organizations available to you as business owners.



There are many organizations offering a great deal of business support services. Procurement Technical Assistance Centers (PTACs), for instance, teach Michigan businesses about government contracting, from bidding on small local contracts all the way up to larger federal contracts. Visit their website at www.ptacsofmichigan.org.

The Michigan Small Business Development Center, otherwise known as the SBDC, offers counseling and advocacy for new ventures, existing small businesses, and innovative technology companies. Visit their website at www.sbdcmichigan.org.

Other groups, such as the Women's Enterprise Council – Great Lakes (sometimes referred to as CEED), and the Michigan Minority Supplier Development Council, exists to empower underrepresented populations of business owners through training and business-to-business networking. They are also excellent resources if you are looking to get certified with the Federal Government as a minority or woman-owned business. You can visit CEED's website at www.miceed.org, or visit the Michigan Minority Supplier Development Council's website at www.minoritysupplier.org.

The Small Business Administration (SBA) provides training programs and opportunities for small business loans to help small businesses grow and expand.

Michigan Works! Agencies across the state provide a broad range of services to employers to support economic workforce and development efforts, including

assistance in finding qualified workers and providing interview facilities.

VetBiz Central provides veteran entrepreneurs and business owners with valuable information specific to their community. Visit their website at www.vetbizcentral.org.

Finally, the Michigan Economic Development Corporation (MEDC) offers business development services. Their Pure Michigan Business Connect (PMBC) program serves as a business-to-business contracting portal for Michigan businesses. You can also seek out free services here, such as website development. It is free to sign up on the PMBC. Visit the MEDC website at www.michiganadvantage.org, or go directly to the PMBC website at www.puremichiganb2b.com.



DTMB-Procurement is divided into three divisions, including IT, Commodities, and Services; and they make purchases on behalf of state agencies in amounts over \$25,000. There are also contracting offices for Design & Construction, Real Estate, and MDOT. Each individual state agency has their own procurement office for certain purchases. Remember to market directly to them for opportunities under \$10,000, for which no statewide contract exists.

We also learned how to find opportunities and how to research those opportunities. Current open solicitations \$10,000 and above (and some which are under \$10,000) are posted on the State's bid posting website at www.Buy4Michigan.com. To find potential opportunities before they are posted on Buy4Michigan, look at the DTMB-Procurement Upcoming Bid List. Also, past proposals and other documents that will help prepare you to bid are available through the FOIA process.

Lastly, we learned about bidding. Make sure to attend any pre-bid meetings, especially if they are mandatory. Ask questions during the Q&A session so that you are clear about the requirements of the solicitation. Follow the bid communication rules to the letter, and don't be late submitting your bid! And no matter if you win or lose, schedule a debrief to help you submit the best possible proposal the next time you bid.



To close, there are many business events in which the State participates. Check our event calendar located on the homepage of the Contract Connect website to find one near you. Check back frequently, as the calendar is updated often.

Additionally, you will also find educational materials on this website. This presentation is located under training, along with Contracting 201, our follow-up presentation, which goes into more detail regarding solicitation documents and the bid process.

The State is committed to providing resources for Michigan companies. We encourage you to take advantage of the information presented, and we are always happy to respond to any comments or questions that you may have. To get in-touch with us, just use the contact information on the following slides.



For more information on state contracting, contact the Business Development Unit in DTMB-Procurement. You can email them at DTMB-MiContractConnect@michigan.gov. Follow us on Twitter @MiProcurement.

You may also contact the vendor outreach coordinator in DTMB-Procurement, Jenni Riehle—telephone number: 517.284.7023, or by email at Riehlej2@michigan.gov.

For information on state contracting, the SDVOB pricing preference or the CRO setaside, contact Genevieve Hayes—phone number: 517.284.7014, or by email at Hayesg2@michigan.gov.



For more information on the Design & Construction contracting office, contact Patrick Mullen—at phone number: 517.373.0967, or by email at BuildMichigan@michigan.gov.

To contact DTMB-Real Estate, please call 517.373.9559, or reach them by email at DTMB-RealEstate@michigan.gov.

For information related to the Bridge & Highway Construction Office and MDOT, or the Michigan Department of Transportation, please contact Demetrius Parker—at phone number: 517.373.4680, or visit their website at www.michigan.gov/mdot.

For information on the state's prisoner factories, or Michigan State Industries, please contact Cathy Carr—at telephone number: 517.241.6291, or by email at CarrC@michigan.gov.